

Senate Committee
on Budget and Fiscal Review
SUBCOMMITTEE 2

MAJOR ACTION
REPORT

May 28, 2003

Senate Bill 53
2003-04 Budget Bill

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SUBCOMMITTEE No. 2

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NATURAL RESOURCES

3340 CALIFORNIA CONSERVATION CORPS

- Restored funding for corps member health benefits (\$2.3 million), operation of fire centers (\$1.9 million), and for local corps contracts (\$846,000)

3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION

- Reduced \$50 million from the Fire Protection Program and approved per-acre fees for landowners on state responsibility areas (SRAs).
- Reduced \$10 million from the Timber Harvest Plan review and enforcement program and approved a 4 percent timber yield fee.

Trailer Bill Language

1. Establishes a one penny per board foot fee on all timber products purchased by retailers, and uses the revenues generated from this fee for various CDF programs.

3600 DEPARTMENT OF FISH AND GAME

- Rejected the Governor's proposal to reduce funding for the department's Timber Harvest Plan (THP) review.
- Approved the Governor's proposal to raise fees for various hunting and fishing licenses.

3640 WILDLIFE CONSERVATION BOARD (WCB)

- Redirected Proposition 50 bond funds for River Parkways and the Sierra Nevada-Cascade Mountain program to the WCB, and approved trailer bill language to establish grant criteria for each program.
- Approved \$32.5 million from Proposition 50 for the Colorado River Regulatory Program.

Trailer Bill Language

1. Requires the WCB to provide pertinent information on major land acquisitions.

Budget Bill Language

1. Requires the Department of Finance to provide notification to the Joint Legislative Budget Committee for all projects that will receive Proposition 50 bond funds.

3790 DEPARTMENT OF PARKS AND RECREATION

- Redirected all Proposition 40 Cultural and Historical funds to the Cultural and Historical Endowment created under AB 716 (Firebaugh).
- Approved \$49 million (Off Highway Vehicle funds) to purchase additional land and buffer zones for State Vehicular Recreation Areas (SVRAs).

Budget Bill Language

1. Waives the 30 percent non-state match requirement for the Roberti-Z'Berg-Harris Urban Park and Murray-Hayden Grant Program.

3860 DEPARTMENT OF WATER RESOURCES

- Approved \$38 million reversion of unencumbered funds from the Colorado River Management Account. These funds were originally appropriated in 1998 for the lining of the Coachella Branch of the All American Canal.

Trailer Bill Language

1. Establishes the Governor's proposal to raise existing fees for the Dam Safety program. These fees will generate approximately \$4.7 million in the budget-year.
2. Implement various programs within Proposition 50.

3870 CALFED BAY-DELTA AUTHORITY

- Approved the Governor's proposal to develop a broad based user fee for water users. This proposal is consistent with the CALFED Record of Decision (ROD).

ENVIRONMENTAL PROTECTION

0555 SECRETARY FOR ENVIRONMENTAL PROTECTION

- Approved as budgeted.

3780 NATIVE AMERICAN HERITAGE COMMISSION

- Approved the May Revision proposal to augment budget by \$247,000 and three positions for Timber Harvest Plan review.

3900 AIR RESOURCES BOARD

- Approved an additional \$4.4 million increase in stationary source fees above the Governor's proposed \$10 million increase for the Stationary Source Program to provide a total of \$14.4 million in GF savings.

Supplemental Report Language

1. Requires the Board to report on benefits and detriments on new power plant emission control technology.
2. Requires the Board to report on the final stationary source fee structure adopted by the Board.

3910 INTEGRATED WASTE MANAGEMENT BOARD

- Approved as budgeted with the following trailer bills.

Trailer Bill Language

2. Restructures the six-member board and the number of their support staff to provide budgetary savings.
3. Prohibits the board from subsidizing tire incineration research or promotion with public funds.

3930 DEPARTMENT OF PESTICIDE REGULATION

- Approved an additional \$3.6 million for farmworker outreach activities and \$8 million for increased support for County Agriculture Commissioners' pesticide-related activities above the Governor's proposed budget for the department of \$53.9 million (including adopted May Revision proposals). The subcommittee approved trailer bill language to adopt the above changes and fund the changes through an increase in pesticide registration fees and an additional mill assessment on restricted use pesticides.

Trailer Bill Language

1. Amends the Food and Agriculture code to establish a mill assessment cap on non-restricted use pesticides of 27 mills. Establishes an additional 18 mill assessment above the 27 mills (for a total of 45 mills) on restricted use pesticides and dedicates that revenue to the County Agriculture Commissioners. Increases pesticide licensing fees and pesticide registration fees (from \$250 to \$750 per product) to fully fund those respective programs. Increases the allocation of the mill assessment directed to the County Agriculture Commissioners from 6 mills to 7 ½ mills. Establishes an allocation of 2 mills toward farmworker outreach activities at the department.

3940 STATE WATER RESOURCES CONTROL BOARD

- Reduced \$3.6 million GF from the board's Water Rights Program. The subcommittee also approved trailer bill language to increase water rights fees to offset the reduction.
- Approved the Governor's proposal to shift \$13.6 million GF support to special funds for the board's core regulatory program through an corresponding increase in the waste discharge permit fee.
- Restored a proposed \$6.8 million GF reduction in water quality monitoring and assessment activities through an additional increase in the waste discharge permit fee.
- Allocated \$7 million in Prop. 50 (Clean Beaches) funds to match \$7 million from the Coastal Conservancy for coastal contaminants monitoring equipment in the California Ocean Data Observing System.
- Allocated \$10 million in Prop. 50 funds for a grant program to reduce agricultural discharges to surface or groundwater.
- Rejected the elimination of the Chromium 6 Program.

3960 DEPARTMENT OF TOXIC SUBSTANCES CONTROL

- Approved as budgeted.

3980 OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT

- Approved the May Revision proposal to restore \$3.5 million of a proposed \$3.6 million GF reduction to various programs through special funds and redirected GF at the office.

PUBLIC SAFETY AND CRIMINAL JUSTICE

0550 YOUTH AND ADULT CORRECTIONAL AGENCY

- Eliminated funding for the Agency pending receipt and review of the Youth Authority education report due November 2002.

0552 OFFICE OF THE INSPECTOR GENERAL

- Approved trailer bill language related to \$1.7 million in proposed reductions.

0820 DEPARTMENT OF JUSTICE

- Approved an increase of \$3.2 million GF to restore funding for the Spousal Abuser Prosecution Program.
- Rejected the proposed \$4.3 million GF for the Youth Authority class action suit and approved budget bill language to allow DOJ to receive funding through the Section 27 process should current negotiations not result in a settlement of the case.
- Approved an increase of \$3.5 million GF to prevent charging local law enforcement user fees for the state's forensic labs.
- Approved an increase of \$2 million (False Claims Act and federal funds) for investigation and prosecution of Medi-Cal Fraud.
- Approved trailer bill language to provide additional Legislative oversight for energy settlement funds.

5240 DEPARTMENT OF CORRECTIONS

- Rejected Finance Letter requesting \$10.8 million in lease revenue bonds to convert NCWF to a male reception center.
- Approved \$3.6 million GF to change the Basic Correctional Officer Academy from 16 weeks to 12 weeks at the Academy and 4 weeks on-the-job.
- Approved \$58.5 million due to increased projections for the inmate and parole populations.

- Approved funding from lease revenue bonds for a death row facility at San Quentin State Prison.
- Approved a reduction of \$5.4 million to delay activation of 500 substance abuse beds.
- Approved a reduction of \$8.8 million to delay activation of Delano II until April 2005.
- Approved a reduction of \$13 million for various healthcare services programs to reflect improved pharmacy protocols and reduced referrals to outside emergency care facilities.
- Approved a reduction of \$2.3 million and 50 positions to reflect a reduction of management positions at institutions statewide.
- Approved a reduction of \$1.3 million and 13.5 positions to increase the span of control for Parole Administrators from supervision of five parole offices to eight offices.
- Approved a reduction of \$2.3 million and 32 positions through the elimination of Correctional Sergeant positions associated with the 7k training program.
- Approved a net reduction of \$27.5 million from the expansion and restructuring of education, vocational education, and arts programs to maximize state savings. This action includes restoring \$10.9 million for education programs and the arts-in-corrections from the proposed \$37.4 million reduction for these programs, and expanding education programs by \$10 million in reception centers.
- Approved savings of \$400,000 from the elimination of three Community Correctional Facilities.
- Approved a net reduction of \$4.5 million from increasing the number of correctional academy graduates by 640 and establishing more correctional officer positions.
- Approved a reduction of \$20.1 million through a drug treatment furlough program which would place inmates in the program into a supervised, community residential drug treatment program for the final 120 days of the inmate's sentence.
- Approved a reduction of \$5 million from placing severely ill inmates who are no longer a threat to public safety on medical parole. These potentially expensive inmates would be placed in an appropriate medical facility and would be eligible for SSI and Medi-Cal.
- Approved a net reduction of \$10.3 million from fully funding the existing program that provides pre-release planning and enhanced community services for mentally ill parolees.
- Approved a net reduction of \$7.9 million from reduced recidivism through (1) improved pre-release planning, (2) development of a new risk assessment tool to ensure parole supervision is effectively targeted, and (3) expansion of the PACT (Police and Corrections Teams) program.
- Approved a net reduction of \$50.4 million from implementing policies that would employ appropriate sanctions for low level parole violators, based on the offense and the underlying public safety risk of the parolees.
- Approved a reduction of \$17.4 million from the expansion of Felony Drug Courts.

5430 BOARD OF CORRECTIONS

- Approved the elimination of the program that reimburses local correctional agencies for partial costs for training and approved a transfer of \$9.6 million from the Corrections Training Fund to the GF.

5440 BOARD OF PRISON TERMS

- Approved a reduction of \$3.5 million from revised workload projections.

5460 DEPARTMENT OF THE YOUTH AUTHORITY (YA)

- Approved an increase of \$1.3 million in the YA due to the consolidation of the duties of the Youthful Offender Parole Board (YOPB) the YA as of January 2004. The budget for YOPB was reduced by \$1.6 million.
- Approved a reduction of \$3.6 million from savings due to closure of the Holton facility and closure of the male portion of the Ventura facility.
- Approved a reduction of \$6.1 million from adjusting for inflation the sliding scale fee charged to counties.

5480 COMMISSION ON CORRECTIONAL PEACE OFFICERS STANDARDS AND TRAINING

- Approved a reduction of \$1.1 million, or 50 percent of the budget.

8100 OFFICE OF CRIMINAL JUSTICE PLANNING

- Eliminated 24 management positions for a savings of an estimated \$3.5 million GF and federal funds. Savings from the federal funds were directed to local assistance grants.
- Approved consolidation of the Elder Abuse Vertical Prosecution, Child Abuser Vertical Prosecution, Vertical Prosecution of Statutory Rape, Major Narcotic Vendor Vertical Prosecution, and the Career Criminal Vertical Prosecution programs into a vertical prosecution block grant, and approved a 50 percent reduction in the total amount for a savings of \$8.2 million.

- Deleted funding (\$15 million GF) for the War on Methamphetamine program.
- Approved restoration of the Domestic Violence Shelter Grant Program within OCJP.

8120 COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING

- Approved a Finance Letter to restore \$25.5 million in funding for the program that reimburses local law enforcement agencies for the costs of training. These funds were originally proposed to be transferred to the GF.

8700 VICTIM COMPENSATION AND GOVERNMENT CLAIMS BOARD

- Approved budget bill language authorizing a short term loan from the GF to meet the cash flow needs of the Restitution Fund.
- Approved trailer bill language with a two year sunset that would limit certain awards to victims, and would increase the minimum mandatory fines for misdemeanor convictions and increase the limits on restitution diversion fees. The trailer bill language also establishes a workgroup of stakeholders to develop recommendations

CONTROL SECTION 24.10

- Approved budget bill language that would transfer \$14 million from the Driver Training Penalty Assessment Fund to the Peace Officer Training Fund, and would transfer \$3 million from the Driver Training Penalty Assessment Fund to the Witness Protection Program.

ENERGY

3360 ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

- Approved a \$20 million loan, with a repayment date of June 30, 2005, from the Public Interest Research, Development and Demonstration Fund to the GF.
- Reverted \$4.943 million of unencumbered, uncommitted funds that the Legislature appropriated to the commission through energy crisis legislation.
- Transferred a total of \$8.740 million from the Energy Resources Programs Account to the GF.

Trailer Bill Language

1. Assesses 1) a siting fee on developers of large power plants in the amount of \$100,000, plus \$250 per MW of generating capacity up to \$350,000, and 2) a \$15,000 annual compliance fee on power plant owners to cover the commission's ongoing compliance activities.

8660 PUBLIC UTILITIES COMMISSION

- Approved a May Revision proposal to increase the Commission's expenditure authority by \$9.9 million (special funds) for Pacific Gas and Electric related legal activities.
- Augmented the Commission's expenditure authority by \$2.3 million for increased contracting authority to hire auditors to address the continued backlog of required audits at the Commission.
- Approved a May Revision proposal to loan \$136 million from the Commission's Teleconnect Fund to the GF. The subcommittee also adopted trailer bill language requiring partial or whole repayment of the loan if the fund were to become deficient because of the loan.
- Amended a May Revision proposal for increased bilingual services in the Commission's Consumer Affairs Branch from 8 positions to 2 positions.

Trailer Bill Language

1. Codifies the Commission's newly proposed Office of Economic Development, defining its procedures and purpose.
2. Prohibits the Commission from raising the surcharge rate for the Teleconnect Fund due to deficiencies in the fund resulting from the above-mentioned loan. Also requires the partial or whole repayment of that loan from the GF should the fund become deficient.

Supplemental Report Language

1. Requires the Commission, the Energy Commission, and the Power Authority to report on their progress in reaching goals stated in the Energy Action Plan.
2. Requires the Commission to report on the programmatic problems associated with the Teleconnect Fund program and possible solutions to address those issues.

8665 CALIFORNIA POWER AUTHORITY

- Approved as budgeted.

8690 SEISMIC SAFETY COMMISSION

- Shifts \$884,000 in funding for the Commission from the GF to a new Seismic Safety Account which would be funded through a fee on insurers.

Trailer Bill Language

1. Establishes an assessment on insurers as a prorated percentage of premiums earned on commercial and residential earthquake policies in the state for the Commission's activities.

8770 ELECTRICITY OVERSIGHT BOARD*Trailer Bill Language*

1. Eliminates the Electricity Oversight Board and transfers staff services and management to a new office under the Governor's Office by the end of the year.

GENERAL GOVERNMENT

0690 OFFICE OF EMERGENCY SERVICES

- Approved the May Revision proposal to restore \$663,000 to the Disaster Service Worker's Volunteer Program.

8550 CALIFORNIA HORSE RACING BOARD

- Approved as budgeted.

8570 DEPARTMENT OF FOOD AND AGRICULTURE

- Rejected a May Revision proposal to suspend the Animal Adoption Mandate.

Supplemental Report Language

1. Requires the department to develop a proposal for an inspection fee on incoming trade and commerce to fund pest exclusion and eradication activities.

8830 CALIFORNIA LAW REVISION COMMISSION

- Rejected the elimination of the Commission and adopted a reduced budget of \$550,000 GF.

8840 COMMISSION ON UNIFORM STATE LAWS

- Rejected the elimination of the Commission and adopted a reduced budget of \$122,000 GF.